

## **16.100 Housing improvement fund program.**

1. A housing improvement fund is created within the authority. The moneys in the housing improvement fund are annually appropriated to the authority which shall allocate the available funds among and within the programs authorized by this section. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining in the fund on June 30 of any fiscal year shall not revert to any other fund but shall be available for expenditure for subsequent fiscal years. Notwithstanding section 12C.7, interest or earnings on moneys in the fund or appropriated to the fund shall be credited to the fund. The authority may expend up to four percent of the moneys appropriated for the programs in this section for administrative costs of the authority for those programs. The authority may provide financial assistance to a housing sponsor or an individual in the form of loans, guarantees, grants, interest subsidies, or by other means for the programs authorized by this section.

2. By rule, the authority shall establish the following financial assistance programs and provide the requirements for their proper administration:

*a.* A home maintenance and repair program providing repair services to families which include persons who are elderly or persons with disabilities and which qualify as lower income or very low income families.

*b.* A rental rehabilitation program for the construction or rehabilitation of single or multifamily rental properties leased to lower income or very low income families.

*c.* A home ownership incentive program to help lower income and very low income families achieve single family home ownership. Funds provided under this program shall not be restricted to first-time home buyers but shall be limited to mortgages under fifty-five thousand dollars, except in those areas of the state where the median price of homes exceeds the state average. The assistance provided shall include at least one of the following kinds of assistance:

(1) Closing costs assistance.

(2) Down payment assistance.

(3) Home maintenance and repair assistance.

(4) Loan processing assistance through a loan endorser review contractor who acts on behalf of the authority in assisting lenders in processing loans that will qualify for government insurance or guarantee or for financing under the authority's mortgage revenue bond program.

(5) Mortgage insurance program.

Five percent of the moneys expended under this program shall be used to finance the purchase or acquisition, in communities with a population of less than ten thousand, of manufactured homes as defined in 42 U.S.C. § 5403. Moneys available for this purpose which are unencumbered or unobligated at the end of the fiscal year shall revert to the housing improvement fund for reallocation for the next fiscal year.

Not more than fifty percent of the assistance provided under this program shall be provided under subparagraphs (4) and (5). So long as at least one of the kinds of assistance described in subparagraphs (1) through (5) is provided, additional assistance not described in subparagraphs (1) through (5) may also be provided.

3. The authority shall coordinate the programs authorized by this section with the other programs under the jurisdiction of the authority.

4. Each application for financial assistance shall be rated based on local, housing sponsor, and recipient

financial commitment, proposals for leveraging other financial assistance, experience with the recipient group involved, consideration for the housing project in the context of overall community needs, including vacancy rate of rental property and ratio of subsidized rental housing to nonsubsidized housing, ability to provide a counseling support system to the recipients, and a demonstrated capability by the housing sponsor to provide follow-up monitoring of recipients to determine if identifiable results have been achieved.

5. For the purposes of this section, "*housing sponsor*" is a for-profit entity, nonprofit corporation, local government, or a joint venture involving a for-profit entity, nonprofit corporation or local government.

6. None of the funds provided to a housing sponsor under this section shall be used for the costs of administration.

7. During each regular session of the general assembly, the authority shall present, to the appropriate appropriations subcommittee, a report concerning the total estimated resources to be available for expenditure under this section for the next fiscal year and the amount the authority proposes to allocate to each program under this section.

8. A homelessness advisory committee is created consisting of the executive director or the executive director's designee, the directors or their designees from the departments of economic development, elder affairs, human services, and human rights, and at least three individuals from the private sector to be selected by the executive director. The advisory committee shall advise the authority in coordinating programs that provide for the homeless.

9. Notwithstanding any provision to the contrary, all assets held in the housing improvement fund shall be transferred to the housing trust fund created in section 16.181. On and after July 1, 2006, any moneys or assets received for deposit in the housing improvement fund shall be transferred to the housing trust fund.

87 Acts, ch 220, § 1

CS87, § 220.100

88 Acts, ch 1217, § 19; 90 Acts, ch 1262, § 38, 39; 91 Acts, ch 267, §316

C93, § 16.100

96 Acts, ch 1129, §11; 97 Acts, ch 201, §19; 2001 Acts, ch 61, §11; 2006 Acts, ch 1185, §45

## **Footnotes**

Additional housing programs funding, see §16.40

Report and recommendations to general assembly by October 1, 2009, regarding status of housing trust fund, activities under housing trust fund program, and housing needs in the state; 2006 Acts, ch 1185, §49